



**LIPPO MALLS INDONESIA RETAIL TRUST  
2017 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT**

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**LIPPO MALLS INDONESIA RETAIL TRUST**  
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**Introduction**

Lippo Malls Indonesia Retail Trust ("LMIR Trust") is a Singapore-based real estate investment trust ("REIT") constituted by a trust deed dated 8 August 2007 between LMIRT Management Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. LMIR Trust was listed on the Singapore Exchange Securities Trading Limited on 19 November 2007.

LMIR Trust was established with the principal investment objective of owning and investing on a long-term basis in a diversified portfolio of income-producing real estate in Indonesia that is primarily used for retail and / or retail-related purposes, and real estate related assets in connection with the foregoing purposes. As at 30 September 2017, LMIR Trust's property portfolio comprises 21 retail mall properties and seven retail spaces located within other retail malls, all of which are located in Indonesia.

LMIR Trust's distribution policy is to distribute at least 90% of the tax-exempt income (after deduction of applicable expenses) and capital receipts. The tax-exempt income comprises dividends received from the Singapore Special Purpose Companies ("SPCs"). These are dividends from the Indonesian SPCs paid out of income (less the related income taxes) derived by letting out of the properties. The capital receipts comprise mainly of amounts received by LMIR Trust from the redemption of redeemable preference shares in the Singapore SPCs.

**Summary of Lippo Malls Indonesia Retail Trust Group Results**

	Group Performance					
	3Q 2017 S\$'000	3Q 2016 S\$'000	Variance	YTD 2017 S\$'000	YTD 2016 S\$'000	Variance
Gross rental income (Note A)	40,830	37,903	7.7%	123,697	112,970	9.5%
Other revenue	8,775	9,127	(3.9%)	24,381	26,390	(7.6%)
Total Gross Revenue	49,605	47,030	5.5%	148,078	139,360	6.3%
Net Property Income (Note A)	46,419	43,338	7.1%	139,321	127,294	9.4%
Amount distributable :						
- Unitholders	24,151	24,153	(0.0%)	74,674	71,133	5.0%
- Perpetual securities holders	4,467	107	NM	9,587	107	NM
Distributable Amount	28,618	24,260	18.0%	84,261	71,240	18.3%
<b>Available Distribution per Unit (cents)</b>	0.86	0.86	0.0%	2.64	2.54	3.9%

Note A: The portfolio performance in IDR terms are shown as below:

	Group Performance					
	3Q 2017 IDR'million	3Q 2016 IDR'million	Variance	YTD 2017 IDR'million	YTD 2016 IDR'million	Variance
Gross rental income	396,460	367,645	7.8%	1,180,911	1,094,250	7.9%
Net Property Income	450,609	420,304	7.2%	1,330,070	1,232,949	7.9%

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1 (a) (i) **Statement of Total Return**

	Group					
	3Q 2017 S\$'000	3Q 2016 S\$'000	Variance	YTD 2017 S\$'000	YTD 2016 S\$'000	Variance
Gross rental income	40,830	37,903	7.7%	123,697	112,970	9.5%
Carpark income <sup>1</sup>	5,395	6,600	(18.3%)	15,566	19,575	(20.5%)
Other rental income <sup>2</sup>	3,380	2,527	33.8%	8,815	6,815	29.3%
<b>Total Gross Revenue</b>	<b>49,605</b>	<b>47,030</b>	<b>5.5%</b>	<b>148,078</b>	<b>139,360</b>	<b>6.3%</b>
<b>Property Operating Expenses</b>						
Land rental	(524)	(524)	0.0%	(1,543)	(1,450)	(6.4%)
Property management fee	(1,828)	(1,064)	(71.8%)	(4,619)	(3,264)	(41.5%)
Property operating and maintenance expenses <sup>1</sup>	(834)	(2,104)	60.4%	(2,595)	(7,352)	64.7%
<b>Total Property Operating Expenses</b>	<b>(3,186)</b>	<b>(3,692)</b>	<b>13.7%</b>	<b>(8,757)</b>	<b>(12,066)</b>	<b>27.4%</b>
<b>Net Property Income</b>	<b>46,419</b>	<b>43,338</b>	<b>7.1%</b>	<b>139,321</b>	<b>127,294</b>	<b>9.4%</b>
Interest income	56	66	(15.2%)	167	211	(20.9%)
Financial expenses <sup>3</sup>	(9,726)	(12,535)	22.4%	(30,744)	(34,679)	11.3%
<b>Administrative Expenses</b>						
Manager's management fees	(3,133)	(3,073)	(2.0%)	(9,420)	(8,855)	(6.4%)
Trustee's fee	(117)	(84)	(39.3%)	(306)	(248)	(23.4%)
Other trust operating expenses	(980)	(366)	NM	(2,127)	(1,096)	(94.1%)
<b>Total Administrative Expenses</b>	<b>(4,230)</b>	<b>(3,523)</b>	<b>(20.1%)</b>	<b>(11,853)</b>	<b>(10,199)</b>	<b>(16.2%)</b>
Other (losses)/gains(net) (See Note A)	(3,306)	(2,686)	(23.1%)	(5,666)	(6,910)	18.0%
<b>Total Return For The Period Before Tax</b>	<b>29,213</b>	<b>24,660</b>	<b>18.5%</b>	<b>91,225</b>	<b>75,717</b>	<b>20.5%</b>
Income tax	(5,169)	(4,985)	(3.7%)	(15,516)	(14,831)	(4.6%)
Withholding tax	(2,981)	(2,952)	(1.0%)	(9,345)	(8,818)	(6.0%)
<b>Total Return For The Period After Tax</b>	<b>21,063</b>	<b>16,723</b>	<b>26.0%</b>	<b>66,364</b>	<b>52,068</b>	<b>27.5%</b>
<b>Total Return For The Period After Tax attributable:</b>						
Unitholders	16,596	16,616	(0.1%)	56,777	51,961	9.3%
Perpetual securities holders	4,467	107	NM	9,587	107	NM
	<b>21,063</b>	<b>16,723</b>	<b>26.0%</b>	<b>66,364</b>	<b>52,068</b>	<b>27.5%</b>

1 (a) (ii) **Statement of Distribution**

Total return for the period after tax before distribution	21,063	16,723	26.0%	66,364	52,068	27.5%
Add back/(less) non-cash items and other adjustments:						
- Manager's fee payable in the form of units	1,857	1,733	7.2%	5,573	5,091	9.5%
- Amount reserved for distribution to perpetual securities holders <sup>4</sup>	(4,467)	(107)	NM	(9,587)	(107)	NM
- Depreciation of plant and equipment	699	453	54.3%	1,719	1,218	41.1%
- Amortisation of intangible assets	3,268	2,945	11.0%	9,828	8,846	11.1%
- Unrealised loss/(gain) on hedging contracts	239	(168)	NM	254	3,156	(92.0%)
- Unrealised foreign exchange loss	1,492	2,574	NM	523	861	(39.3%)
<b>Total Unitholders' Distribution</b>	<b>24,151</b>	<b>24,153</b>	<b>(0.0%)</b>	<b>74,674</b>	<b>71,133</b>	<b>5.0%</b>
Unitholders' distribution:						
- as distributions from operations	13,391	16,936	(20.9%)	50,410	48,469	4.0%
- as return of capital <sup>5</sup>	10,760	7,217	49.1%	24,264	22,664	7.1%
<b>Total Unitholders' Distribution</b>	<b>24,151</b>	<b>24,153</b>	<b>(0.0%)</b>	<b>74,674</b>	<b>71,133</b>	<b>5.0%</b>

(Note A) **Other (losses)/gains (net) comprise:**

Realised gain on hedging contracts	2,909	3,816	(23.8%)	7,989	10,831	(26.2%)
Realised loss on foreign exchange	(1,402)	(1,391)	(0.8%)	(3,534)	(5,572)	36.6%
Miscellaneous income	186	240	(22.5%)	484	694	(30.3%)
Unrealised (loss)/gain on hedging contracts	(239)	168	NM	(254)	(3,156)	(92.0%)
Unrealised foreign exchange loss	(1,492)	(2,574)	NM	(523)	(861)	(39.3%)
Amortisation of intangible assets	(3,268)	(2,945)	(11.0%)	(9,828)	(8,846)	(11.1%)
	<b>(3,306)</b>	<b>(2,686)</b>	<b>23.1%</b>	<b>(5,666)</b>	<b>(6,910)</b>	<b>18.0%</b>

**Footnote:**

- Previously, there were various contractual arrangements with different carpark operators. In order to achieve cost efficiency and to benefit from the latest parking management technology, a new carpark operator was engaged to operate most of LMIR Trust's malls for one year with effect from 1 January 2017. Under the new contractual arrangements, the carpark operator absorbs all the carpark operating costs and is entitled to a portion of the parking revenue. This has resulted in the decrease in carpark income from S\$19.6 million in YTD 2016 to S\$15.6 million in YTD 2017. Correspondingly, the carpark expenses, which form part of the property operating and maintenance expenses, have reduced from S\$3.4 million in YTD 2016 to S\$0.5 million in YTD 2017, resulting in a reduction in net carpark income by about 6.8% from approximately S\$16.2 million in YTD 2016 to approximately S\$15.1 million in YTD 2017. For the avoidance of doubt, the new carpark contract arrangements do not apply to Lippo Mall Kemang ("LMK"), Lippo Plaza Batu ("LPB"), Palembang Icon ("PICON"), Lippo Mall Kuta ("Kuta") and Lippo Plaza Kendari ("Kendari") as the carpark areas of these malls are leased to the respective master leasees at the time of acquisition. These carpark master leases will continue to be valid until their expiry.
- The YTD 2017 other rental income includes S\$7.3 million (YTD 2016: S\$5.4 million) from rental of electrical, mechanical and mall operating equipment.
- Finance expenses in 2017 are lower as the S\$150 million Bond due in October 2016 and S\$50 million Bond due in July 2017 have been refinanced by the S\$140 million and S\$120 million perpetual securities issued in September 2016 and June 2017 respectively.
- In September 2016, the Trust issued perpetual securities of S\$140 million, which confer a right to receive distribution payments at a rate of 7.0% per annum with the first reset date falling on 27 September 2021 and subsequent resets occurring every five years thereafter. In June 2017, the Trust issued additional perpetual securities of S\$120 million, which confer a right to receive distribution payments at a rate of 6.6% per annum with the first reset date falling on 19 December 2022 and subsequent resets occurring every five years thereafter. Distributions under both the perpetual securities are payable semi-annually in arrears in each year on a discretionary basis. Any distribution unpaid will be non-cumulative in accordance with the terms and conditions of the perpetual securities.
- The return of capital comprises the amounts received by LMIR Trust from the redemption of its investment in the redeemable preference shares in the Singapore SPCs.

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1 (b) (i) **Statement of Financial Position**

	Group		Trust	
	30-Sep-17 S\$'000	31-Dec-16 S\$'000	30-Sep-17 S\$'000	31-Dec-16 S\$'000
<b>Current Assets</b>				
Cash and cash equivalents	74,919	77,754	3,934	7,053
Trade and other receivables	53,375	38,123	223,219	219,236
<b>Total Current Assets</b>	<b>128,294</b>	<b>115,877</b>	<b>227,153</b>	<b>226,289</b>
<b>Non-current Assets</b>				
Investment properties <sup>1</sup>	1,877,709	1,922,642	-	-
Investments in subsidiaries	-	-	1,729,237	1,709,440
Intangible assets <sup>2</sup>	10,102	19,206	-	-
Plant and equipment	9,108	7,508	-	-
<b>Total Non-current Assets</b>	<b>1,896,919</b>	<b>1,949,356</b>	<b>1,729,237</b>	<b>1,709,440</b>
<b>Total Assets</b>	<b>2,025,213</b>	<b>2,065,233</b>	<b>1,956,390</b>	<b>1,935,729</b>
<b>Current Liabilities</b>				
Unsecured borrowings	74,909	124,269	-	-
Trade and other payables	37,063	31,180	342,128	383,774
Current tax payable	5,442	6,154	-	-
Security deposits	33,288	32,582	-	-
Other financial liabilities, current <sup>3</sup>	22	112	-	90
<b>Total Current Liabilities</b>	<b>150,724</b>	<b>194,297</b>	<b>342,128</b>	<b>383,864</b>
<b>Non-current Liabilities</b>				
Unsecured borrowings	409,714	373,288	236,114	200,084
Secured borrowing	88,986	143,296	88,986	143,296
Deferred tax liabilities	31,662	31,662	-	-
Deferred income	82,589	87,039	-	-
Other financial liabilities, non-current <sup>3</sup>	3,385	3,096	2,156	1,811
<b>Total non-current liabilities</b>	<b>616,336</b>	<b>638,381</b>	<b>327,256</b>	<b>345,191</b>
<b>Total Liabilities</b>	<b>767,060</b>	<b>832,678</b>	<b>669,384</b>	<b>729,055</b>
<b>Net Assets</b>	<b>1,258,153</b>	<b>1,232,555</b>	<b>1,287,006</b>	<b>1,206,674</b>
<b>Represented by:</b>				
Unitholders' funds	999,001	1,091,688	1,027,854	1,065,807
Perpetual securities <sup>4</sup>	259,152	140,867	259,152	140,867
<b>Net assets attributable to unitholders and perpetual securities holders</b>	<b>1,258,153</b>	<b>1,232,555</b>	<b>1,287,006</b>	<b>1,206,674</b>

**Footnote:**

- The carrying values of the properties are stated based on the independent valuation as at 31 December 2016 and adjusted for property enhancements to-date. The valuations and property enhancements figures are recorded in the financial statements in Indonesian Rupiah and translated into Singapore Dollars using the respective exchange rate as at the end of each period.
- Intangible assets represent the unamortised aggregate rentals receivable by the Group from certain master lease agreements for its 100% interest in LMK, LPB, PICON, Kuta and Kendari. The rentals are for a period of 3 to 25 years (FY 2016: 3 to 25 years).
- The movements in other financial liabilities (current and non-current) are mainly as a result of unrealised gains/ losses in the value of derivatives, principally being currency options contracts and interest rate swap.
- The Trust issued perpetual securities of S\$140 million at a distribution rate of 7.0% per annum and S\$120 million at a distribution rate of 6.6% per annum in September 2016 and June 2017 respectively.

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1 (b) (ii) **Borrowings and Debt Securities**

Secured borrowings:

Amount payable after one year  
Less: Unamortised transaction costs for secured borrowings  
Total secured borrowings

Unsecured borrowings:

Amount payable within one year  
Less: Unamortised transaction costs for secured borrowings  
Amount payable after one year  
Less: Unamortised transaction costs for unsecured borrowings  
Total unsecured borrowings

**Total borrowings**

Group	
30-Sep-17 S\$'000	31-Dec-16 S\$'000
90,000	145,000
(1,014)	(1,704)
88,986	143,296
75,000	125,000
(91)	(731)
415,710	380,710
(5,996)	(7,422)
484,623	497,557
<b>573,609</b>	<b>640,853</b>

Secured borrowings

LMIR Trust has a secured term loan facility of S\$90 million (30 June 2017: S\$145 million) maturing in December 2018 at an interest rate of 3.0% per annum plus SGD Swap Offer Rate. On 7 July 2017, LMIR Trust made a voluntary partial prepayment of S\$55 million of the secured term loan by utilising S\$20 million proceeds from issuance of perpetual securities in June 2017 and additional drawdown of S\$35 million from the unsecured term loan facility obtained in August 2016. Pursuant to the partial prepayment, certain properties mortgaged for the facility will be discharged in due course.

The term loan facility is secured mainly on the following:

- Pledge over the shares in 7 retail mall Singapore SPCs and 7 retail space Singapore SPCs ("Restricted Singapore Subsidiaries")
- Pledge over the shares in 3 retail mall Indonesia SPCs and 6 retail space Indonesia SPCs ("Restricted Indonesia Subsidiaries")
- First fixed mortgage charge over 3 retail malls and 6 retail spaces and first fixed and/or floating charges over all the other assets of 9 Indonesia SPCs
- First legal assignment of earnings of Restricted Singapore Subsidiaries and Indonesia Subsidiaries
- Legal assignment of rights under each lease agreement, lease guarantee, all insurance policies associated with the 3 retail malls and 6 retail spaces

Unsecured borrowings

LMIR Trust has S\$75 million 4.48% Bond due in November 2017, S\$75 million 4.1% Bond due in June 2020, S\$100 million 4.5% Bond due in November 2018 (collectively, the Bonds), established by its wholly owned subsidiary, LMIRT Capital Pte Ltd ("LMIRT Capital").

LMIR Trust has a 4-year term loan of S\$120.5 million maturing in August 2020 at an interest rate of 2.95% per annum plus SGD Swap Offer Rate and a 5-year term loan of S\$120.5 million maturing in August 2021 at an interest rate of 3.15% per annum plus SGD Swap Offer Rate.

1 (c) **Statement of Cash Flows**

	Group		Group	
	3Q 2017 S\$'000	3Q 2016 S\$'000	YTD 2017 S\$'000	YTD 2016 S\$'000
<b>Operating activities</b>				
Total return for the period before tax	29,213	24,660	91,225	75,717
<b>Adjustments for</b>				
- Manager's fee payable in units	1,857	1,733	5,573	5,091
- Interest income	(56)	(66)	(167)	(211)
- Amortisation of borrowing costs	961	2,533	2,923	4,658
- Interest expense	8,765	10,002	27,821	30,021
- Depreciation of plant and equipment	699	453	1,719	1,218
- Amortisation of intangible assets	3,268	2,945	9,828	8,846
- Unrealised foreign exchange gain	1,492	2,574	523	861
- Unrealised loss/(gain) on hedging contracts	239	(168)	254	3,156
<b>Operating income before working capital changes</b>	<b>46,438</b>	<b>44,666</b>	<b>139,699</b>	<b>129,357</b>
Changes in working capital				
Trade and other receivables	5,324	273	(7,598)	25,292
Trade and other payables	3,271	7,011	8,541	(20,645)
Security deposits	244	258	2,290	(3,130)
Net cash from operating activities before income tax	55,277	52,208	142,932	130,874
Income tax paid	(8,382)	(6,460)	(25,573)	(21,245)
<b>Cash flows from operating activities</b>	<b>46,895</b>	<b>45,748</b>	<b>117,359</b>	<b>109,629</b>
<b>Investing activities</b>				
Acquisition of investment properties	-	-	(32,972)	-
Capital expenditures on investment properties	(8,576)	(1,659)	(16,967)	(5,515)
Purchase of plant and equipment	(1,891)	(1,279)	(3,739)	(2,328)
Interest received	56	66	167	211
<b>Cash flows used in investing activities</b>	<b>(10,411)</b>	<b>(2,872)</b>	<b>(53,511)</b>	<b>(7,632)</b>
<b>Financing activities</b>				
Repayment of bank borrowings	(55,000)	(100,000)	(55,000)	(200,000)
Repayment of Bond issued under EMTN	(50,000)	-	(50,000)	-
Proceeds from borrowings	35,000	100,000	35,000	200,000
Decrease in other financial liabilities	(16)	(5,736)	(222)	(8,319)
Deferred income	845	(1,191)	(231)	(185)
Interest paid	(8,765)	(10,002)	(27,821)	(30,021)
Distribution to unitholders	(25,403)	(23,803)	(74,858)	(69,671)
Distribution to perpetual securities holders	(4,940)	-	(9,800)	-
Proceeds from issue of perpetual securities, net of transaction costs	-	138,397	118,498	138,397
Cash restricted in use for bank facilities	(370)	(1,015)	(433)	(1,015)
<b>Cash flows (used in)/from financing activities</b>	<b>(108,649)</b>	<b>96,650</b>	<b>(64,867)</b>	<b>29,186</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(72,165)</b>	<b>139,526</b>	<b>(1,019)</b>	<b>131,183</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>146,070</b>	<b>73,656</b>	<b>74,271</b>	<b>79,090</b>
Effect of exchange rate changes on cash and cash equivalents	(2,902)	(1,817)	(2,249)	1,092
<b>Cash and cash equivalents at end of the period</b>	<b>71,003</b>	<b>211,365</b>	<b>71,003</b>	<b>211,365</b>
<b>Cash and cash equivalents in Statement of Cash Flows:</b>				
Cash and cash equivalents per Statement of Cash Flows	71,003	211,365	71,003	211,365
Add: Cash restricted in use for bank facilities	3,916	2,515	3,916	2,515
<b>Cash and cash equivalents in Statement of Financial Position</b>	<b>74,919</b>	<b>213,880</b>	<b>74,919</b>	<b>213,880</b>

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1 (d) (i) Statements of Changes in Unitholders' Funds

**Total Unitholders' Funds at beginning of the period**

**Operations**

Total return for the period

Less: Amount reserved for distribution to perpetual securities holders

**Net increase in net assets resulting from operations attributed to unitholders**

**Unitholders' contributions**

Distribution to unitholders

**Foreign currency translation reserve**

Translation differences relating to financial statements of foreign subsidiaries<sup>1</sup>

**Total Unitholders' Funds**

**Perpetual securities**

Balance at the beginning of the period

Issue of perpetual securities, net of transaction costs

Amount reserved for distribution to perpetual securities holders

Distribution to perpetual securities holders

Balance at the end of the period

**Total**

Group		Trust	
3Q 2017 S\$'000	3Q 2016 S\$'000	3Q 2017 S\$'000	3Q 2016 S\$'000
1,037,784	1,061,250	1,046,390	1,093,498
21,063	16,723	11,334	14,403
(4,467)	(107)	(4,467)	(107)
16,596	16,616	6,867	14,296
(25,403)	(23,803)	(25,403)	(23,803)
(29,976)	44,728	-	-
999,001	1,098,791	1,027,854	1,083,991
259,625	-	259,625	-
-	138,290	-	138,290
4,467	107	4,467	107
(4,940)	-	(4,940)	-
259,152	138,397	259,152	138,397
<b>1,258,153</b>	<b>1,237,188</b>	<b>1,287,006</b>	<b>1,222,388</b>

**Total Unitholders' Funds at beginning of the period**

**Operations**

Total return for the period

Less: Amount reserved for distribution to perpetual securities holders

**Net increase in net assets resulting from operations attributed to unitholders**

**Unitholders' contributions**

Manager's management fees settled in units

Manager's acquisition fees settled in units

Distribution to unitholders

**Foreign currency translation reserve**

Translation differences relating to financial statements of foreign subsidiaries<sup>1</sup>

**Total Unitholders' Funds**

**Perpetual securities**

Balance at the beginning of the period

Issue of perpetual securities, net of transaction costs

Amount reserved for distribution to perpetual securities holders

Distribution to perpetual securities holders

Balance at the end of the period

**Total**

Group		Trust	
YTD 2017 S\$'000	YTD 2016 S\$'000	YTD 2017 S\$'000	YTD 2016 S\$'000
1,091,688	1,075,115	1,065,807	1,118,724
66,364	52,068	38,754	33,437
(9,587)	(107)	(9,587)	(107)
56,777	51,961	29,167	33,330
6,874	1,608	6,874	1,608
864	-	864	-
(74,858)	(69,671)	(74,858)	(69,671)
(82,344)	39,778	-	-
999,001	1,098,791	1,027,854	1,083,991
140,867	-	140,867	-
118,498	138,290	118,498	138,290
9,587	107	9,587	107
(9,800)	-	(9,800)	-
259,152	138,397	259,152	138,397
<b>1,258,153</b>	<b>1,237,188</b>	<b>1,287,006</b>	<b>1,222,388</b>

**Footnote:**

- 1 The "Translation differences relating to financial statements of foreign subsidiaries" relate to exchange differences arising from translating items denominated in Indonesian Rupiah in the balance sheet of the respective Indonesia subsidiaries, principally the investment properties, into Singapore Dollar using period end exchange rate.  
A translation loss of S\$30.0 million and S\$82.3 million was recorded in 3Q 2017 and YTD 2017 respectively due to weakening of Indonesian Rupiah against Singapore Dollar since the end of the last financial period of 2Q 2017 and Fy 2016 respectively.  
The "Translation differences relating to financial statements of foreign subsidiaries" are recorded in the Statements of Changes in Unitholders' Funds and do not affect the calculation of the quarterly Distributable Income and Distribution Per Unit ("DPU").

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1 (d) (ii) **Details of Any Change in the Issued and Issuable Units**

Issued units at the beginning of the period  
 Issuance of new units for management fees  
 Issuance of new units for acquisition fees  
**Issued units at the end of the period**

3Q 2017	3Q 2016
2,823,987,723	2,802,992,873
-	-
-	-
<b>2,823,987,723</b>	<b>2,802,992,873</b>

The Trust does not hold any treasury units and there is no subsidiary holding as at end of current financial period and as at end of the corresponding period of the immediately preceding financial year.

1 (d) (iii) **To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year**

Issued units at the end of the period/year

30-Sep-17	31-Dec-16
2,823,987,723	2,802,992,873

1 (d) (iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

1 (d) (v) **A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable.

2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited nor reviewed by our auditors.

3 **Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied**

The accounting policies and method of computation applied in the financial statement for the current financial period are consistent with those applied in the audited financial statements for the year ended 31 December 2016.

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable

6 **Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the Financial Period**

	Group			
	3Q 2017	3Q 2016	YTD 2017	YTD 2016
Weighted average number of units in issue	2,823,987,723	2,802,992,873	2,817,951,282	2,801,228,708
<b>Earnings per unit in cents (EPU) <sup>(1)</sup></b>	0.59	0.60	2.01	1.86
Number of units in issue	2,823,987,723	2,802,992,873	2,823,987,723	2,802,992,873
<b>Distribution per unit in cents (DPU) <sup>(2)</sup></b>	0.86	0.86	2.64	2.54

**Footnote:**

- In computing the quarterly EPU, the weighted average number of units for the end of the period is used.
- In computing the quarterly DPU, the number of units in issue as at the end of the period is used.

7 **Net Assets Value ("NAV") and Net Tangible Assets ("NTA") Per Unit Based on Units Issued at the End of the Period**

	Group		Trust	
	30-Sep-17	31-Dec-16	30-Sep-17	31-Dec-16
<b>Net Assets Value per unit in cents (NAV)</b>	35.38	38.95	36.40	38.02
<b>Net Tangible Assets per unit in cents (NTA)</b>	35.02	38.26	36.40	38.02

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8 **Review of the Performance**

**Statement of Total Return**

Gross rental income  
 Other revenue  
 Total gross revenue  
 Property operating expenses  
**Net Property Income**

Interest income  
 Financial expenses  
 Administrative expenses  
 Other (losses) (net)

**Total Return For The Period Before Tax**

Income tax  
 Withholding tax

**Total Return For The Period After Tax**

**Amount distributable to:**

- Unitholders  
 - Perpetual securities holders  
**Total distributable to unitholders/ perpetual securities holders**

**Unitholders' distribution:**

- as distributions from operations  
 - as return of capital

**Total Unitholders' distribution**

**Distribution per Unit (cents)**

Group			
3Q 2017 S\$'000	3Q 2016 S\$'000	YTD 2017 S\$'000	YTD 2016 S\$'000
40,830	37,903	123,697	112,970
8,775	9,127	24,381	26,390
49,605	47,030	148,078	139,360
(3,186)	(3,692)	(8,757)	(12,066)
<b>46,419</b>	<b>43,338</b>	<b>139,321</b>	<b>127,294</b>
56	66	167	211
(9,726)	(12,535)	(30,744)	(34,679)
(4,230)	(3,523)	(11,853)	(10,199)
(3,306)	(2,686)	(5,666)	(6,910)
<b>29,213</b>	<b>24,660</b>	<b>91,225</b>	<b>75,717</b>
(5,169)	(4,985)	(15,516)	(14,831)
(2,981)	(2,952)	(9,345)	(8,818)
<b>21,063</b>	<b>16,723</b>	<b>66,364</b>	<b>52,068</b>
24,151	24,153	74,674	71,133
4,467	107	9,587	107
<b>28,618</b>	<b>24,260</b>	<b>84,261</b>	<b>71,240</b>
13,391	16,936	50,410	48,469
10,760	7,217	24,264	22,664
<b>24,151</b>	<b>24,153</b>	<b>74,674</b>	<b>71,133</b>
<b>0.86</b>	<b>0.86</b>	<b>2.64</b>	<b>2.54</b>

**3Q 2017 vs 3Q 2016**

Gross rental income is S\$2.9 million higher than 3Q 2016, mainly due to the acquisition of Kuta, Kendari and positive rental reversions.

Other revenue is S\$0.4 million lower than 3Q 2016, mainly due to the new carpark contract arrangements, whereby the carpark operator absorbs all the carpark operating costs and is entitled to a portion of the parking revenue.

The decrease in financial expenses of S\$2.8 million is mainly due to S\$150 million Bond and S\$50 million Bond repaid in October 2016 and July 2017 respectively, which were replaced by perpetual securities and accounted for in the Statement of Changes in Unitholders' Funds.

Other losses (net) mainly comprise of realised and unrealised foreign currency gains/ (losses), realised and unrealised hedging contracts gains/ (losses), as well as amortisation of intangible assets in relation to LMK, LPB, PICON, Kuta and Kendari.

**YTD 2017 vs YTD 2016**

Gross rental income is S\$10.7 million higher than YTD 2016, mainly due to the acquisition of Kuta, Kendari and positive rental reversions.

Other revenue is S\$2.0 million lower than YTD 2016, mainly due to the new carpark contract arrangements, whereby the carpark operator absorbs all the carpark operating costs and is entitled to a portion of the parking revenue.

The decrease in financial expenses of S\$3.9 million is mainly due to S\$150 million Bond and S\$50 million Bond repaid in October 2016 and July 2017 respectively, which were replaced by perpetual securities and accounted for in the Statement of Changes in Unitholders' Funds.

Other losses (net) mainly comprise of realised and unrealised foreign currency gains/ (losses), realised and unrealised hedging contracts gains/ (losses), as well as amortisation of intangible assets in relation to LMK, LPB, PICON, Kuta and Kendari.

The Trust has foreign currency options contracts to mitigate its exposure on currency movement as the majority of the Trust's income is in IDR. The unrealised gain/ loss on foreign currency options contracts is a non-cash item and does not affect the amount of distribution to unitholders.



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**9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results**

Not applicable.

**10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Indonesian economy expanded 5.01% year-on-year ("y-o-y") in the second quarter of 2017, the same pace recorded in the preceding quarter. Growth was driven by private consumption and fixed investment while exports rose at a slower pace and government spending fell.

On the inflation front, Indonesia's annual inflation rate for September 2017 eased to 3.72% from 4.37% in June 2017, its fourth consecutive month of decline and the lowest since March 2017 on the back of a continued decline in food prices.

According to Bank Indonesia data, retail sales in Indonesia rose 2.2% y-o-y in August 2017, buoyed by stronger food sales in the period.

**11 Distributions**

**(a) Current financial period**

Any distributions declared for the current financial period:	Yes
Name of distribution:	Third quarter distribution for the period from 1 July 2017 to 30 September 2017.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.48 cents per unit and capital distribution of 0.38 cents per unit.
Par value of units:	NA
Tax rate:	NA

**(b) Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period:	Yes
Name of distribution:	Third quarter distribution for the period from 1 July 2016 to 30 September 2016.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.60 cents per unit and capital distribution of 0.26 cents per unit.
Par value of units:	NA
Tax rate:	NA

**(c) Date payable:** 29 November 2017

**(d) Book closure date:** 13 November 2017

**12 If no distribution has been declared/(recommended), a statement to that effect**

Not applicable.

**13 Interested Person Transactions Mandate**

LMIR Trust is not required to obtain a general mandate from the Unitholders for Interested Party Transactions.

**14 Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of LMIRT Management Ltd do hereby confirm that, to the best of their knowledge, nothing has come to their attention in which may render these interim financial results to be false or misleading in any material aspect.

**15 Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

BY ORDER OF THE BOARD OF  
LMIRT MANAGEMENT LIMITED  
(AS MANAGER OF LIPPO MALLS INDONESIA RETAIL TRUST)

Ms Chan Lie Leng  
Executive Director and Chief Executive Officer  
2 November 2017